



Foodland Super Market, LTD
3536 Harding Avenue
Honolulu, HI 96816
808 732-0791

RECEIVED
CITY CLERK
C & C OF HONOLULU
2012 APR -3 AM 8:32

TO: COMMITTEE ON PUBLIC WORKS AND SUSTAINABILITY
Councilmember Stanley Chang, Chair
Councilmember Ann H. Kobayashi, Vice Chair
Councilmember Tom Berg
Councilmember Tulsi Gabbard
Councilmember Nestor R. Garcia

LOCATION: REGULAR MEETING COMMITTEE MEETING ROOM

DATE: WEDNESDAY, APRIL 4, 2012

TIME: 1:00 P.M.

FROM: Foodland Super Market, LTD, Simon Cutts – Director of Supply Procurement
RE: Bill 10 Relating to the use of bags provided to customers.

Foodland Super Market, LTD would like to provide the following comments:

- The wording of this bill is problematic because the language does not state that the fee **MUST** be passed on to the consumer, which would allow some venues to not charge for single use bags. This defeats the purpose of the legislation. If the consumer does not associate the fee with single use bags they will have no greater incentive to remember to bring their reusable bags. As written, this bill serves as a direct tax on groceries.
- The legislation also does not include paper bags in the fee. Model legislation in the United States and the Hawaii State fee bill included paper in the mandatory fee as paper bags are much more expensive and also not as environmentally friendly as plastic bags (it takes more energy to recycle paper bags than plastic bags). If paper is not included in the fee, many consumers will simply take paper instead of plastic instead of changing their behavior to use reusable bags. We are already experiencing a 10-fold increase in cost to provide paper bags at our Maui and Kauai stores. We will continue to experience increased costs if the legislation doesn't change. Paper bags must be specifically included in the fee.

- The language states that the fee program establishes a requirements that businesses charge 3 cents and then 5 cents per plastic (not paper) bag and implements very burdensome administrative tasks yet does not allow the business to keep any % of the fee to cover the increased costs. The state bill allows businesses to keep 20% of the fee for this reason.
- We strongly ask that the bag fee be passed on to consumers by all retailers to ensure that the tax serves its purpose of encouraging the use of reusable bags and that retailers be allowed to keep a portion of the fee. We also ask that paper bags be included in the mandatory fee. These three criteria are met in the Hawaii State bill and in the Washington DC fee legislation that has been very effective at reducing the use of all single use bags.

Thank you for the opportunity to provide this testimony.

Simon Cutts